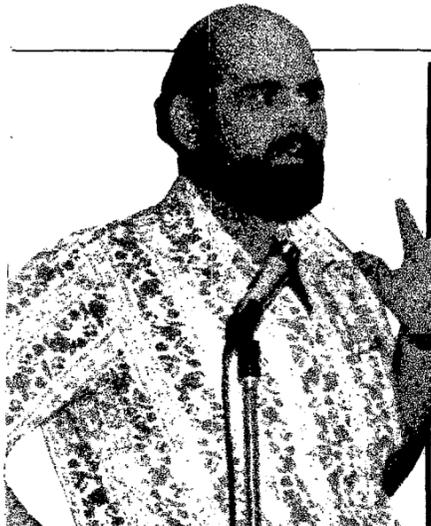


IN THE NATION

LABOR



Pete Camarata

Teamster dissidents go for top offices

By Dan Marschall

PETE CAMARATA, DISSIDENT leader of the Teamsters for a Democratic Union (TDU), has embarked on a long uphill climb that may help to democratize the nation's largest union. On June 23 Camarata announced his candidacy for Teamster president and challenged incumbent Frank Fitzsimmons to a "debate on the issues" and a union-wide referendum vote.

Jack Vlahovik, former top officer of the Teamsters' largest Canadian local, simultaneously declared his candidacy for Secretary-Treasurer on the TDU slate.

Although Camarata and Vlahovik have very little chance to win—top Teamster officers are "elected" at international conventions whose delegates are overwhelmingly stacked with union business agents and local leaders who have sworn allegiance to the union hierarchy—their campaign may crystallize mounting resentment towards the union's highly-paid, crime-connected international officers.

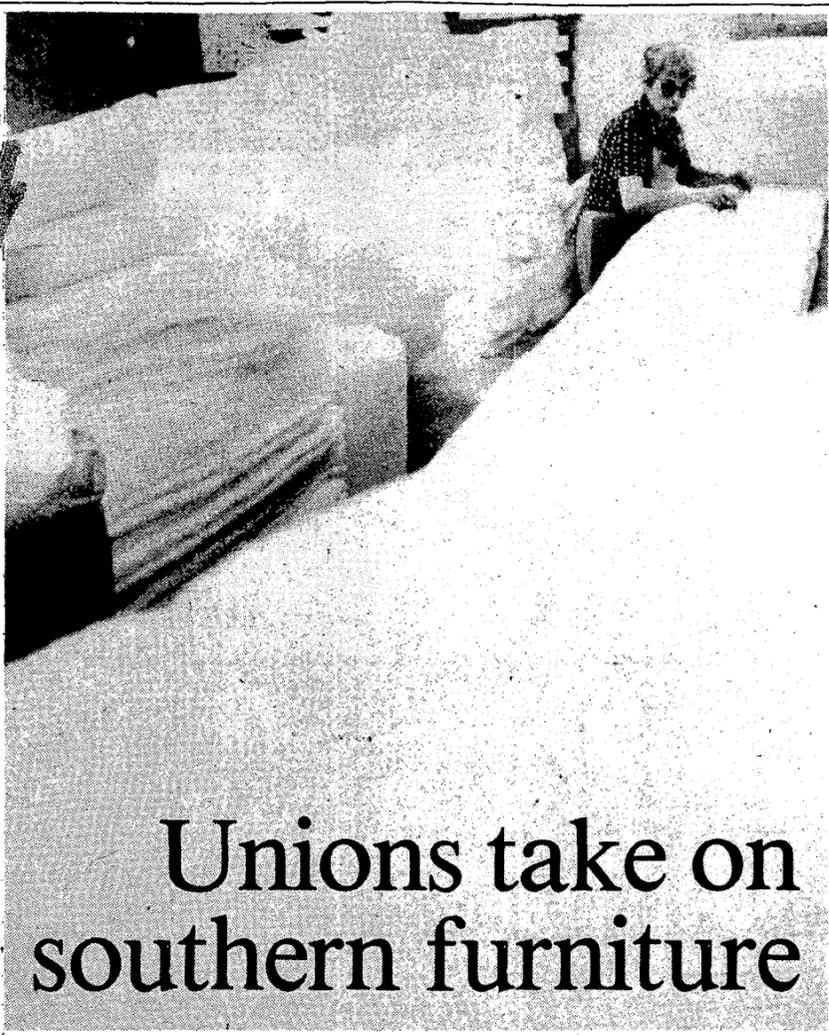
A significant aspect of their efforts is the attempt by the TDU to obtain "equal access" to the *International Teamster*, the union's national publication, which currently is little more than a glossy public relations sheet that Fitzsimmons and other top-level officers use to espouse their accomplishments and attack intra-union critics.

"Under the Landrum-Griffin Act, a union is not supposed to favor incumbent candidates by providing them with union funds to win re-elections," says TDU attorney Craig Livingston. "But if union publications, which are paid for with union funds, are used to promote the candidacies of certain officers, then the rank and file have the right to present another viewpoint."

The union's Executive Board will consider the equal access question at a meeting later this month. If the TDU's request is rejected, as observers are certain it will be, TDU lawyers will file a suit in federal court to open up the publication to Camarata's campaign material. (To press their case, the TDU has retained the same law firm that represented Jimmy Hoffa in his unsuccessful attempt to lift legal restrictions on holding union office.)

Camarata launched his campaign three years before the next convention because "we are going to use that time to build a movement of the rank and file, and, increasingly, of local officers who are willing to speak out," he says.

Because delegates to that convention



Unions take on southern furniture

The union goal is the same as at J.P. Stevens in the textile industry—unionize one company and move on to the rest.

Tony Soluri

By Bob McMahon

WEST JEFFERSON, N.C.

ABOUT 15 MINUTES AFTER the ballot counting began union organizer Ted Davis flashed a victory sign and a big smile. "This will make North Carolina furniture workers take notice," he said.

The United Furniture Workers had just won a representation election at Thomasville Furniture Industry's Phenix Chair plant, 267-223.

The union win in the June 23 election at Phenix Chair was an important first victory in a new campaign by the AFL-CIO to organize Southern labor. The United Furniture Workers, membership 26,000, joined by the 45,000-member Upholsterers International Union and the AFL-CIO Industrial Union Department was making an effort to crack the 99 percent non-union North Carolina furniture industry.

According to United Furniture Workers president Carl Scarborough, North Carolina is the largest furniture-producing state in the country, with 88,000 of an estimated 300,000 workers in the industry. It is also the least unionized.

After a decision last year to launch a cooperative organizing drive in furniture, Thomasville Furniture Industries (TFI), a subsidiary of Armstrong Cork Co., was chosen in March as the initial target when strong support for the union became apparent at its Phenix chair operation.

"Our goal is the same as it is with J.P. Stevens," said Harold McIver, organizing director of the Industrial Union Department, when the campaign was announced. "Organize a major company in the furniture industry, negotiate a contract, and move on to other companies."

McIver would not say after the Phenix Chair vote where among TFI's 21 plants and 5,800 employees the union would next seek a vote. He did note that organizing was "going well" among 13 plants in the Thomasville area.

Tom Finch, TFI president released a statement after the Phenix victory, say-

ing, "If organizers from the AFL-CIO Industrial Union Department pursue their announced intention to unionize other Thomasville Furniture Industries plants, we will strongly resist their efforts and we will use every legal means to do so."

The Furniture Workers had represented TFI employees once before in plants in the Thomasville area—from 1946 to 1952. After a three-month strike in 1952, which saw numerous arrests of strikers by police—together with bombardment of picket lines by scabs inside the plant—the union was broken.

Winning the first election was essential for the credibility of the organizing drive at TFI. A separate organizing effort, by the United Brotherhood of Carpenters, had increased skepticism that the unions could make a dent in the North Carolina furniture industry.

In a year of effort the Carpenters filed for elections in 15 plants, only to withdraw the petition in 12 cases. In the three elections that were held, the union lost heavily.

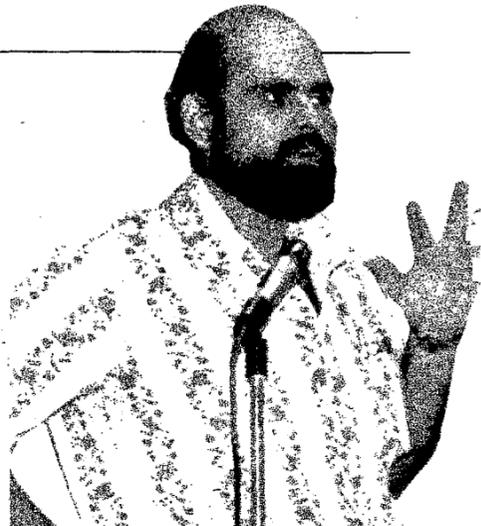
The AFL-CIO organizers found out about the strong interest in a union at Phenix Chair almost by accident. The International Ladies Garment Workers Union (ILGWU) had been seeking to organize the Jefferson Apparel plant in the same county. Virginia Diamond, an ILGWU organizer, decided to try dropping off some union cards in the Phenix Chair plant.

The response, she says, "was overwhelming." She scheduled a meeting, hoping 30 workers might come; about 150 overflowed the room.

Wages were a key issue at Phenix Chair. The union discovered that workers at the Phenix plant in West Jefferson were being paid an average of \$3.53 an hour. The union estimates workers in the 13 Thomasville plants are paid \$3.83 an hour. (TFI claims its workers are paid "on the average" more than \$4 an hour. The average industrial wage in North Carolina is \$4.34 an hour, while the national average is \$5.71 an hour.)

Robert Holladay, a TFI vice president, conceded West Jefferson workers were

Continued on page 20.



In addition to Camarata's candidacy TDU hopes to run candidates for local offices around the country in order to build support.

will consist largely of officers elected over the next three years the TDU also intends to field candidates around the country in the hopes of cohering an opposition bloc that will back Camarata. (Teamster dissidents in TDU and PROD, another rank and file reform group, have met some success at winning leadership positions on the local level. In Wisconsin Local 30, for example, TDU-backed candidates swept an election earlier this year.)

To counter consistently negative publicity and this growing rank and file movement, the Teamster hierarchy has initiated a new "open communications" policy towards the press. In June the international added two public relations men to its Washington staff. On the same day as Camarata's announcement and a 150-person picket line in front of the international headquarters Fitzsimmons held his first press conference in almost three years.

Calling the union "the greatest organization God has ever created," Fitzsimmons defended the Teamsters from widely-publicized charges of corruption, nepotism, use of union dues for personal purposes and connections with organized crime figures. The government has investigated the union "from top to bottom, from hell to high water," Fitzsimmons said. If there is any evidence of wrongdoing, he challenged, let the Justice Department "go ahead and prosecute."

The next major test of Fitzsimmons' leadership will be the renegotiation of the National Master Freight Agreement, which covers over 450,000 over-the-road drivers. As negotiations on the contract, which expires on April 1, 1979, commence in several months, Fitzsimmons will come under a variety of conflicting pressures that will likely weaken his hold on the union's top office.

President Carter is demanding that trucking union/industry bargainers restrain wage increases in accord with the administration's voluntary anti-inflation program. (At his press conference, Fitzsimmons backed down from an earlier statement, quoted by the *New York Times*, that he would not go to the bargaining table for "anything less" than the 37 percent wage/benefit increase won by the United Mine Workers. He declined to specify the union's opening wage demands.)

Teamster members, meanwhile, are pushing for wage gains high enough to compensate for inflation and for measures to halt deteriorating working conditions. If Fitzsimmons fails to deliver it will strengthen the hands of other top-level officers who are searching for leverage to push him out of office. (ITT, May 17.)

TAX REVOLT

Mass.' answer
to Proposition 13

By Peter Drier

REVERE, MASS.

PROPOSITION 13 FEVER" HAS spread from California to Massachusetts and this state's politicians have caught the germ. Citizens in "Taxachusetts" pay the highest property taxes of any state in the country except Alaska, and politicians are jumping on the bandwagon, scrambling to attach their names to various tax proposals to roll back local property taxes and put a limit on state government spending. More than 200 years after the Boston Tea Party, they seem prepared to throw public services overboard to protest government spending and high taxes.

In cities and towns across the state taxpayers are forming (or expanding) local groups to demand lower taxes. In suburban Medford, for example, the Alliance of Concerned Taxpayers pressured the city council to cut \$280,000 from the city's operating budget. The casualties included a dental clinic, the town's branch libraries and some snow-removal facilities.

At the state level the situation is even more complicated because 1978 is an election year. In addition, the number of seats in the state House of Representatives is being cut from 240 to 160, so incumbents are facing each other in heated campaigns.

Conservative Republican Edward F. King, founder of Citizens for Limited Taxation (CLT), is running for governor on a one-issue platform—cut state taxes. He has proposed a constitutional amendment—which will go before the voters in 1980 if approved in the state legislature next year—that would limit state spending by tying the state budget to growth in the income of Massachusetts taxpayers and prohibiting further programs mandated by the state but paid for by the cities out of property taxes.

Although King's amendment would

not touch existing state-mandated programs (special education, school breakfast programs, compulsory binding arbitration for police and firefighters), Barbara Anderson of CLT says "We expect to go after them sooner or later."

Some observers give King a good chance to unseat Gov. Michael Dukakis, a moderate Democrat.

Proposition 2½.

"California spoke for the country," says state Representative Roy Switzler, a Republican from suburban Wellesley, who introduced his own bill, Proposition 2½ only days after the Jarvis-Gann amendment passed in California.

His proposal, which limits property taxes to 2.5 percent of the property's market value, would have a devastating effect on Massachusetts' cities, which have no sales or income tax and rely heavily on the property tax. Boston, for example, with a current 8 percent tax rate, would lose about \$300 million of the \$441 million it raises from property taxes, says Ray Torto, tax adviser to Boston Mayor Kevin White.

Conservatives like Switzler and King argue that there is already too much "fat" in government. They point to the usual conservative enemies—expanding welfare rolls, high public employee salaries, unnecessary bureaucracy and "frills" in school programs. "We've got to shut the door on government spending sometime," Switzler explains, "and now's the time."

To counter the conservatives' efforts to cut overall spending (and thus public services and jobs), Massachusetts Fair Share, a statewide citizens' action group, is backing several proposals to shift the tax burden away from low and moderate-income families and onto business and the more affluent.

Almost a year ago, long before *Time* magazine put Howard Jarvis on its cover, Fair Share exposed the fact that many of Boston's biggest businesses and landlords



Fair Share, after being rebuffed by the governor decided to take their case to his "town meeting" June 26 in Revere. More than 1,000 showed up.

had not paid their property taxes. Fair Share's "Dirty Dozen Plus Two" campaign forced the city to collect about \$11 million in delinquent tax bills. As a result, Fair Share netted a large following of frustrated taxpayers.

This year, Fair Share, along with the mayors of the state's largest cities, is backing a "classification" initiative on next November's ballot that would lock into law the present formula that assesses residential property at a lower rate than commercial or industrial property.

The business community vigorously opposes classification for obvious reasons; it favors, instead, a plan to assess all property at the same 100 percent rate.

Circuit breaker tax.

Fair Share's biggest effort, however, is its "circuit-breaker" bill to provide immediate cash rebates to taxpayers accord-

ing to income. Tenants and homeowners with family incomes under \$30,000 who pay more than 8 percent of their income in property taxes would receive a rebate up to \$500.

Fair Share estimates that a typical family of four, with an income of \$15,000 and a property tax bill of \$1,200 would get a \$243 rebate. According to its calculations, more than three-quarters of all rebates would go to those households with incomes under \$13,000.

Rebates for renters would be calculated by assuming that one-fourth of their rent goes for property taxes.

The money would come from this year's \$200 million state surplus and thus not cut into existing programs.

After several months of intensive lobbying Fair Share's bill passed in both houses of the state legislature and is now in the joint Ways and Means committees. Gov. Dukakis, however, has said he'll veto it when it reaches his desk.

Dukakis wants the surplus to go directly to the towns and cities to use as they please. But Fair Share's members, with a strong distrust of politicians, want the money directly in taxpayers' pockets.

After Dukakis refused to meet with Fair Share to discuss it, the organization decided to turn the governor's June 26 "town meeting" in Revere into a direct confrontation on the rebate bill.

Despite a slight drizzle and the Red Sox-Yankee game on Monday night TV, Fair Share mobilized about 1,000 members from across the state. Fair Share members packed the crowded elementary school meeting room to its capacity (squeezing out local Reverites) while another 600 members rallied outside, carrying picket signs ("Sign our bill or get off the hill," "Mike: Give us our rebates," "Direct tax relief now") and singing songs written for the occasion.

It was the classic showdown. The news media (recently stricken with tax revolt

Continued on page 6.



Illinois Public Action members rally in Springfield in support of their circuit breaker tax reform bill.

Illinois tax reform
threatened

Political infighting threatens Public Action bill to bring down homeowners' taxes.

By David Moberg

CHICAGO

BARBARA SCHALK WAS ANGRY as she stood in front of Illinois Gov. James Thompson's \$110,000 townhouse in the fashionable Lincoln Park neighborhood of Chicago. In 1976, with an income of \$50,000 a year, Thompson had paid \$596.94 in property taxes on the house—slightly more than 1 percent of his income. Last year Schalk, a single mother of three making \$7,280 as a clerk in a currency exchange, paid \$540.95 on a modest stucco bungalow—or 7.4 percent of her income.

"It's easy to see why the governor doesn't think there is a problem with property taxes in Illinois," Schalk, president of a community organization affiliated with the Illinois Public Action Council, told reporters. "But just because

Thompson hasn't been paying his fair share in property taxes doesn't mean that the rest of us haven't."

Although Thompson's taxes have since gone up dramatically, Public Action arranged the disclosure to embarrass the politically ambitious Thompson into signing the group's proposed "circuit breaker" property tax relief bill. Republican Thompson has vowed to veto the bill, which passed the Democratic-controlled legislature earlier this summer.

Since Thompson's Democratic opponent in the fall election, state Controller Michael Bakalis, picked up the Public Action measure as one of his major planks, Thompson has attacked it vigorously, making the bill one of the more noticeable campaign issues.

The "circuit breaker" bill became the focus of Public Action's tax campaign earlier this year, even though it was not even mentioned in their many-part program last fall. Although the statewide federation of community organizations did not expect the proposal to have a strong chance in the legislature this year and planned to use the issue for organizing, their proposal was the surprise beneficiary of a new skittishness among politicians about taxes, spurred by the California victory of Proposition 13, and of the failure of other proposals to stir anyone's enthusiasm.

Continued on page 20.